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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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10/636,125

08/07/2003

Robert B. Phelps

S-816

1568

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7590

06/13/2006

SIEBERTH & PATTY, LLC  
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EXAMINER

FRENEL, VANEL

ART UNIT

PAPER NUMBER

3626

DATE MAILED: 06/13/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

**Office Action Summary**

Applicati n N .

10/636,125

Applicant(s)

PHELPS, ROBERT B.

Examiner

Vanel Frenel

Art Unit

3626

-- The MAILING DATE of this communication appears on the cover sheet with the corresponding address --

**Period for Reply**

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

**Status**

- 1) ☒ Responsive to communication(s) filed on 27 May 2005.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

**Disposition of Claims**

- 4) ☒ Claim(s) 1-21 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-21 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

**Application Papers**

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

**Priority under 35 U.S.C. § 119**

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- \* See the attached detailed Office action for a list of the certified copies not received.

**Attachment(s)**

- |   |   |
|---|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)   | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)  | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152)             |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)<br>Paper No(s)/Mail Date <u>07152005</u> . | 6) <input type="checkbox"/> Other: _____  |

**DETAILED ACTION**

**Notice to Applicant**

1. This communication is in response to the Request for consideration filed on 05/27/05. Claims 1-21 are pending.

**Claim Rejections - 35 USC § 103**

2. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

3. Claims 1-21 are rejected under 35 U.S.C. 103(a) as being unpatentable over Halley et al (4,969,094) in view of Banks (2003/0018498), for substantially the same reasons given in the previous Office Action, and incorporated herein. Further reasons appear hereinbelow.

***Response to Arguments***

4. Applicant's arguments filed on 05/27/05 with respect to claims 1-21 have been fully considered but they are not persuasive. Applicant's arguments will be addressed hereinbelow in the order in which they appear in the response filed on 05/27/05.

(A) At pages 2-7 of the 05/27/05 response, Applicant argues the followings:

(a) The rejection is based upon a mis-statement of the law, since there is no "technological arts" requirement under 35 U.S.C.101.

(b) Even assuming for the sake of argument, that the law requires subject matter of a patent claim to fall within a “technological “ art, the rejection fails to establish that the present matter is not within a “technological” art.

(c) Halley does not teach that the respective total values of (i) the pension plan assets, inclusive of the interest so acquires, determined immediately after the acquisition, and (ii) the pension assets, exclusive of the interest so are determined at the same point in time and in accordance with the same actuarially sound valuation method is correct.

(d) Further, in Halley, the employee is both the insured and the pension plan beneficiary (but the employee is not the beneficiary policy).

(e) With respect to Banks, paragraph 0024 on Page 3 does not say that the total values of (i) and (ii) are determined at the same point in time and in accordance with the same actuarially sound valuation method.

(f) In fact, nowhere does Banks teach that the total values of (i) and (ii) are determined at the same point in time and in accordance with the same actuarially sound valuation method, and Banks thus cannot make up for the deficiencies in the disclosure of Halley et al.

(g) Banks does not teach or suggest that the interest in insurance policies be purchased from a pool of current, in-force insurance contracts.

(h) There is no disclosure of a pool of insurance contracts.

(B) With respect to Applicant's first and second arguments, it is noted that the Examiner rejection was not based on the fact the claimed process is NOT useful, tangible, or concrete, nor that claimed process lacks a practical application, *per se*. Rather, the basis of the Examiner's rejection was that the recited claims were not directed to a practical application in the technological arts. With regard to this issue, it is noted that Applicant's presently recited claims do not even rise the level of the claims under review by the Federal Circuit in the *State Street Bank* decision, which clearly and explicitly recite a practical application in the technological arts.

As such, it is respectfully submitted that Applicant's reliance on the *State Street Bank* decision is not persuasive, as Applicant's presently recited claims clearly lack a practical application in the technological arts in a manner consistent with the claims reviewed by the Federal Circuit in their decision.

Moreover, the Examiner is concerned that Applicant apparently ignores the mandate of other court decision that clearly support the Examiner's position. For example, the court in *In re Toma* stated: " 'technological' or 'useful' arts inquiry must focus on whether claimed subject matter, for example, method of operating machine to translate, is statutory, not on whether product of claimed subject matter, for example, translated text, is statutory, not on whether prior art that claimed subject matter purports to replace, for example, translation by human mind, is statutory, and not on whether claimed subject matter is presently perceived to be improvement over prior art, for example, whether it 'enhances' operation of machine; this was law prior to *Gottschalk v. Benson*, 175 USPQ 673, and was not changed by *Benson*." (emphasis added) 197

USPQ 852, 853 (CCPA 1978). In *In re Musgrave*, 167 USPQ 280 (CCPA 1970), it was held that "... all that is necessary to make a sequence of operational steps a statutory 'process' within 35 U.S.C. 101 is that it be in the technological arts so as to be in consonance with Constitutional purpose to promote progress of 'useful arts' ..." (emphasis added).

In sum, it is respectfully submitted that the Examiner's rejection of the claims under 35 USC 101 is indeed proper and should be maintained for at least the reasons given above and the guidance of appropriate case law.

(C) With respect to Applicant third argument, Examiner respectfully submits that Halley discloses "Benefits of this system include periodic payments upon death, disability, or retirement of each employee. Death benefits vest upon the enrollment by the subscriber employee into the system, and are payable beginning immediately upon the death of a subscriber employee to the employee's beneficiaries" which correspond to Applicant's argument (See Halley, Col.4, lines 20-24). Therefore, Applicant's arguments is not persuasive and the rejection is hereby sustained.

(D) With respect to Applicant fourth argument, Examiner respectfully submits that He relied upon the Banks reference for such a feature. In addition, Banks suggests "A survivor benefit plan is an employee benefit, sponsored by the employer, which provides the employee's designated survivor (s) such as a spouse, children, etc., with a predetermined periodic income stream in the event that the employee dies while a

participant in the plan. This type of plan is very attractive to employees because it provides a certain income stream to the designated beneficiaries without the investment problems attendant with a lump-sum payout, thereby a stable income to the beneficiaries over a period of time" which correspond to Applicant's argument (See Banks, Page 1, Paragraph 0002). Therefore, Applicant's argument is not persuasive and the rejection is hereby sustained.

(F) With respect to Applicant fifth argument, Examiner respectfully submits that Halley suggests "all life insurance premiums for a given subscriber employer are paid substantially, if not totally, by dividend accumulations within the life insurance institution (which correspond to Applicant claimed feature (See Halley, Col.4, lines 53-59). Therefore, Applicant's argument is not persuasive and the rejection is hereby sustained.

(G) With respect to Applicant sixth argument, Examiner respectfully submits that Halley suggests "all life insurance premiums for a given subscriber employer are paid substantially, if not totally, by dividend accumulations within the life insurance institution (which correspond to Applicant claimed feature (See Halley, Col.4, lines 53-59). Therefore, Applicant's argument is not persuasive and the rejection is hereby sustained.

7. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

### **Conclusion**

8. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Vanel Frenel whose telephone number is 571-272-6769. The examiner can normally be reached on Monday-Thursday from 6:30am-5:00pm.


If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Joseph Thomas can be reached on 571-272-6776. The fax phone number for the organization where this application or proceeding is assigned is 703-872-9306.



Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

V.F  
V.F

July 28, 2005

  
JOSEPH THOMAS  
SUPERVISORY PATENT EXAMINER